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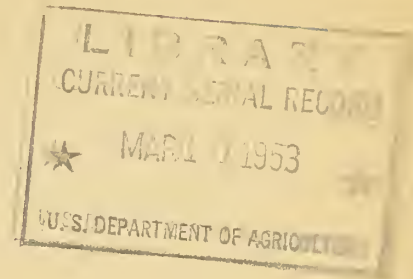
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UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
DAIRY BRANCH



INSERTS
FOR
SUMMARIES
FLUID MILK MARKETING ORDERS
Revised to February 1, 1953
and
Federal Register Citations
for the Milk Price Orders

The attached are inserts to be substituted for the corresponding pages in the Summaries of Fluid Milk Marketing Orders, April 1, 1948, and Federal Register Citations for the milk price orders. These inserts revise the Federal orders as effective on February 1, 1953. The last insert was issued on January 1, 1953.

Agriculture - Washington

GEOSMO VALLEY - ORDER NO. 28

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
16 FR 11051	10/31/51	Order
17 FR 7807	8/27/52	Amendment No. 1

USKOGEE - ORDER NO. 29

16 FR 5037	5/30/51	Order
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TOLEDO - ORDER NO. 30

16 FR 6420	7/3/51	Order, as amended
16 FR 10049	10/3/51	Amendment No. 9
18 FR 870	2/13/53	Amendment No. 10

CEDAR RAPIDS - ORDER NO. 31

16 FR 7343	7/27/51	Order
17 FR 4843	5/28/52	Order suspending certain provisions
17 FR 9063	10/11/52	Amendment No. 1

FORT WAYNE - ORDER NO. 32

15 FR 3307	5/30/50	Order, as amended
16 FR 11095	11/1/51	Amendment No. 3
17 FR 4911	5/30/52	Amendment No. 4

LOVELL-LAWRENCE - ORDER NO. 34

16 FR 9671	9/22/51	Order, as amended
17 FR 2708	3/28/52	Amendment No. 10
17 FR 7771	8/26/52	Amendment No. 11

- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows: Average price per pound of nonfat dry milk solids (carlots, human consumption, spray and roller process, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 8.5, times .965. If the Chicago area price is not published, use Chicago delivered prices minus 7.5 cents.

(4) The Class III price.

Class I - "Basic formula" price plus 75 cents during May and June, \$1.00 during July, August, March, and April and \$1.20 during all other months subject to a supply-demand adjustment computed from a utilization percentage, i.e., the percentage which Class I and II sales are of producer receipts during the first and second months preceding the delivery period. From this current utilization percentage there is subtracted a base period utilization percentage (computed from data for the period June 1949 through May 1950) as follows:

<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>	<u>Delivery Period</u>	<u>Percent</u>
January	92	May	81	September	86
February	86	June	78	October	90
March	83	July	76	November	93
April	83	August	80	December	95

The resulting "net utilization percentage" is converted to a specific price adjustment in accordance with a tabulated schedule of premiums and discounts which average 3 cents per net utilization percent during January, February, March, August, and September, 2-cent premium and 4-cent discount during April through July, and 4-cent premium and 2-cent discount during October, November and December.

Class II - The Class I price less 30 cents.

Class III - Average of prices paid for 3.5 per cent milk at the following plants:

Pet Milk Company,	Delta, Ohio
Defiance Milk Products Co.,	Defiance, Ohio
Pet Milk Company,	Hudson, Michigan

Butterfat Differentials:

Class I Price - Price per pound of Chicago 92-score butter, times 1.3, divided by 10.

Class II Price - Price per pound of Chicago 92-score butter, times 1.25, divided by 10.

Class III Price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Producer Price - Price per pound of Chicago 92-score butter, times 1.2, divided by 10.

Location Differentials: None

Method of Accounting for Milk:

Weight of butterfat and skim milk are computed separately as used in each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk transferred by a handler to another handler in the form of milk or skim milk is considered Class I milk, and milk so transferred in the form of cream is Class II milk, unless the receiving handler (who is not a producer-handler) and the selling handler indicate in writing utilization in some other class.

Outside Purchases:

Receipts of skim milk and butterfat from outside sources are deducted in series beginning with the lowest price class.

Milk received at a plant of a handler subject to another milk marketing agreement or order, shall be considered as "other source" milk.

Outside Sales:

Milk disposed of by a handler to a nonhandler in the form of milk or skim milk is considered Class I milk, and milk so disposed of in the form of cream is considered to be Class II milk. If a written statement signed by both buyer and seller indicates utilization in another class, the milk will be classified accordingly, subject to verification, provided the nonhandler's plant is located within 100 miles of Toledo.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by the market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed 2 cents per hundredweight on producer milk and on "other source" milk classified in Classes I and II.

Special Producer Provisions:

Deductions as authorized by members are turned over to the cooperative associations.

A marketing service charge not to exceed 6 cents is deducted for non-members.

On or before the last day of each delivery period handlers are required to make a partial payment for milk received during the first 15 days of the delivery period at not less than the uniform price for the preceding delivery period (in the case of payments directly to producers the uniform price for preceding delivery period minus 50 cents per hundredweight).

Special Handler Provisions:

Milk distributed in the Toledo marketing area directly from a plant which is subject to another Federal order is subject only to the reporting provisions of this order.

Milk disposed of by a Toledo handler as Class I in any other Federal order market is priced at the higher of the Class I prices of the two orders.

Class Prices (3.5 Percent Butterfat)

"Basic Formula" Price - A "basic formula" price is used for Class I and Class II prices. The "basic formula" price is the highest of:

- (1) Average of prices paid for 3.5 percent milk at 18 specified plants (see list used for "basic formula" price in Chicago order).
- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Plymouth "Cheddars," divided by 7, times 1.3, times 3.5.
- (3) Price per pound of Chicago 92-score-butter, minus 3 cents, times 1.2, times 3.5, plus an amount computed as follows: Average price pound of nonfat dry milk solids (carlots, human consumption, spray and roller process, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 8.2.

Class I - From December 1952 through July 1953, handlers at pool plants holding health authority permits from either Alliance, Canton, or Massillon, Ohio, will pay Cleveland Class I price less 15 cents. Handlers at pool plants not holding such permit(s) will pay Cleveland Class I less 40 cents.

After July 1953, add 90 cents in May and June, \$1.30 in March, April, July, and August, and \$1.70 in all other months, to "basic formula" price where handler holds health permit(s) as described. Handlers at pool plants not holding such permit(s) will pay 25 cents less than these amounts.

To above amount, add or subtract a "supply-demand adjustment" computed from a utilization percentage, i.e., the percentage which Class I sales are of producer receipts during the first and second preceding months. From this current utilization percentage is subtracted the "standard utilization percentage shown below:

Delivery Standard Period Utilization: ----- Percent -----	:	Delivery Standard Period Utilization: ----- Percent -----	:	Delivery Standard Period Utilization: ----- Percent -----
January 84	:	May 71	:	September 67
February 80	:	June 64	:	October 70
March 78	:	July 61	:	November 76
April 75	:	August 64	:	December 82

